

**Virginia Medicaid Collection of Ambulance Overpayments
Questions and Answers**

September 15, 2008

Q1. What prompted the recent collection letters sent to ambulance providers?

A. Consistent with the passage of the 1997 Balanced Budget Act by Congress, Virginia law mandated that Medicaid limit its payments for Medicare “crossover” claims to the Medicaid fee schedule. This means that Medicaid would only pay the “crossover” coinsurance and deductible amounts if the Medicaid rate for the service exceeded the amount reimbursed by Medicare. Because Medicaid’s ambulance rates are usually below the Medicare amount, no additional payments should be made by Medicaid. The Department of Medical Assistance Services (DMAS) sent a Medicaid Memo in 2003 advising all providers, including ambulance providers, of this change in payment calculation. However, an analysis conducted by DMAS found that payments were being made incorrectly for ambulance “crossover claims.” A March 1, 2008 memorandum was sent to ambulance providers informing them that effective April 1, 2008, these incorrect payments were being discontinued, and that it may be necessary to collect any overpayments.

Q2. Were other types of providers affected by the April 1, 2008 change?

A. No. Crossover claims have been processing correctly for other provider types since December, 2003 when a new claims payment system was implemented in Virginia. The April 2008 change brought ambulance crossover claims into compliance along with other Medicaid providers.

Q3. Why are the past incorrect payments being collected?

A. DMAS and the Office of the Attorney General confirmed that the *Code of Virginia* and federal regulations require the Department to collect these overpayments. In accordance with federal and state law, the Department sent the required collection letters on September 15, 2008 to affected ambulance providers.

Q4. When must repayment be made, and where should the payment be sent?

A. The letter sent to providers states that repayment checks should be made payable to the Department of Medical Assistance Services and should be submitted within 30 days of receipt of the DMAS collection letter. Checks should be sent to: Department of Medical Assistance Services, Fiscal Division, 600 E. Broad Street, Richmond, Virginia 23219.

Q5. Can providers set up a repayment plan?

A. Yes, providers who are unable to remit the entire balance by the due date should immediately request a repayment plan from DMAS. This was conveyed to providers in the DMAS collection letter. Regulations allow DMAS to approve a repayment period of up to 36 months. Providers who want to establish a repayment plan should contact: David Stankavich, Department of Medical Assistance Services, 600 E. Broad Street, Richmond, Virginia 23219.

Q6. Can ambulance providers appeal the collection action by DMAS?

A. Yes, the letter mailed to providers advises them that the collection action can be appealed, and that during the appeals process, no collection actions will be taken. Providers have 30 days from the date of receipt of the letter to appeal the collection letter. Providers must identify the issues being appealed and submit their request in writing to: Samuel J. Metallo, Division Director, Appeals Division, Department of Medical Assistance Services, 600 E. Broad Street, 11th Floor, Richmond, Virginia 23219. If DMAS does not receive a written notice of appeal within 30 days of receipt of the collection letter, providers will have no further rights to appeal the collection notice.

Q7. Who should providers call if they have additional questions?

These are the DMAS contacts for questions arising from the letter to ambulance companies.

To obtain password to access encrypted files on enclosed CD:	(804) 371-7983
Technical questions about accessing files on the enclosed CD:	Robert Chapman (804) 225-4079
Questions concerning repayment options:	David Stankavich (804) 786-3228
Questions concerning filing an appeal:	Provider Appeals (804) 371-8488
Questions concerning specific claims included in the overpayment calculation:	Bill Zieser (804) 371-8855
Other questions or concerns:	(804) 371-7983 Leave Message